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**PROJECT DOCUMENT**  
**[ANGOLA]**

**Project Title:** Procurement Support Services to the Ministry of Health (INLS)

**Project Number:**

**Implementing Partner:** National Institute to fight HIV/AIDS

**Start Date:** August 29, 2016 **End Date:** June 30, 2018 **PAC Meeting date:**

**Brief Description**

The overall objective of the Project is to strengthen the national public health procurement system and thereby improve the effectiveness of diagnosis and treatment of patients in treatment with Anti-retroviral medicines in the Republic of Angola. The specific objective of the Project is to procure ARVs medicines and reagents for the National Institute to fight HIV/AIDS for 2016 – 2018 as needed to enhance coverage of antiretroviral therapy in Angola.

**Contributing Outcome (UNDAF/CPD, RPD or GPD):**  
Indicative Output(s): By 2019, Angola has put into place and is implementing policies and strategies to promote inclusive and sustainable growth, leading to graduation from the least developed countries group.  
CPAP- Output 1.5: National institutions, systems, laws and policies strengthened for equitable delivery of HIV and related services.

<b>Total resources required:</b>	5,000,000.00 USD	
<b>Total resources allocated:</b>	<b>UNDP TRAC:</b>	
	<b>Donor:</b>	
	<b>Donor:</b>	
	<b>Government:</b>	174,937.58
	<b>In-Kind:</b>	
<b>Unfunded:</b>	4,825,062.42	

Agreed by (signatures)<sup>1</sup>:

Government	UNDP	Implementing Partner
Print Name: Dr. Luis Gomes Sambo Minister of health	Print Name: Henrik Larsen Country Director	Print Name: Dra. Maria Lucia Furtado Director of INLS
Date:	Date:	Date:

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## I. SITUATION

The National Institute for the Fight against AIDS (INLS) uses a vertical supply chain system to manage HIV/AIDS commodities, parallel to other health products. As one budget unit at the Ministry of health, the INLS is procuring with local suppliers 60% of the HIV commodities with prices 3-4 times higher than international market. The GF has been supported the government of Angola covering 40 % of the HIV commodities needs since 2006.

Oil constitutes 96% of Angola's export and the massive drop in prices has hit the economy very hard, and led, among others, to: shortage of USD in country, a decrease in the governmental revenues and budget cuts close to 60% in real terms in the social sectors including health. The local companies are no longer able to organize USD for procuring internationally.

With the new approved Global Fund grant under the New Funding model, 40% of the ARVs needs are covered until June 2018 that will be procured by UNDP as principal recipient of the new grant.

Since the UNDP has a significant role and global experience in supporting governments with large-scale procurement, and has managing the Global fund HIV Component since 2006, the Ministry of Health has approached UNDP to provide Procurement Support Services with government funds. UNDP has a specialized procurement office and a specialized team working on the implementation of large projects financed by the Global Fund to Fight AIDS, Tuberculosis and Malaria – each with significant procurement expenditures. Further, UNDP-Angola as well has the proven skills and capacities to effectively and efficiently respond to the country's challenges related to medicines procurement and supply chain management.

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## II. STRATEGY

The project is based on the following strategies:

**Ensuring commodity security to sustain gains in the ART/PMTCT programs:** Angola is committed to sustain the gains made in reducing morbidity and mortality related to the HIV ART program; the reduction of new HIV infections from the prevention programs. The strategy is to include continuous dialogue with the MoH on the governmental organization of the purchasing function.

**To procure ARVs medicines and health products for the national HIV National program as needed to enhance treatment of patients in Angola:**

In 2016, UNDP will procure medicines and medical products as outlined in Annex II. The list of medical products is devised by the INLS pursuant to their emergencies, specifications, and quantification and delivery intervals aligned to incoming channels – government and others – into the national public health system. Further, the list is of a dynamic nature responsive to the demands on the national system and therefore subject to evolving needs. The needs for subsequent years – 2017 and 2018 are foreseen to be of a similar nature, dynamic and responsive to the needs of INLS.

In pursuit of the above objective, the Project will assist the National Institute to fight HIV/AIDS in the cost-efficient, transparent and timely procurement of ARVs medicines and health products. Through on-the-job collaboration between the INLS and UNDP drawing on globally available

expertise channelled through the UNDP Global Fund Partnership Team and the UNDP Global Procurement Office, technical capacities of the government in terms of medical supply chain management will be enhanced.

The scope of work in terms of the procurement support services to the MoH includes the provision of procurement services for a range of medicines, health products, according to the Cost sharing agreement with MOH (see Annex I).

The project is related to the Sustainable Development Goal No.3 (“Ensure healthy lives and promote well-being for all at all ages”). It is aligned with the UNDP corporate Strategic Plan, notably its outcome No. 3 and the UNDP Country Programme Document outcome No.4, both aiming at strengthening institutions to progressively deliver universal access to basic services.

### III. RESULTS AND RESOURCES FRAMEWORK

<p><b>Intended Outcome as stated in the UNDAF/Country [or Global/Regional] Programme Results and Resource Framework:</b> Strengthening the national response for the control of STI/HIV and viral Hepatitis to ensure an HIV prevalence rate of less than 3%</p>				
<p><b>UNDP Strategic Plan Outcome: 3</b> - Countries have strengthened institutions to progressively deliver universal access to basic services (link: output 3.1).</p>				
<p><b>Partnership Strategy:</b> UNDP will forge close collaboration with the MoH, other UN agencies, civil society organizations and private sector in preparation, monitoring and implementation of the Project activities.</p>				
<p><b>Project title and ID (ATLAS Award ID):</b> Procurement Support Services to the National Institute to Fight HIV/AIDS in Angola</p>				
INTENDED OUTPUTS	OUTPUT TARGETS FOR 2016/2018	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	INPUTS
<p>Output 1: National public health procurement system strengthened and the effectiveness of diagnosis and treatment of the patients in Angola improved</p> <p><b>Indicators:</b></p> <p>1. % of agreed items and volumes procured.</p> <p>2. Efficiency increase in the delivery of critical medical supplies (measured in costs and time).</p> <p>Baseline:</p> <p>1. 0 of agreed items and volumes procured.</p> <p>2. 0%</p> <p>Gender Marker Rating and Motivation: 2</p>	<p>Targets</p> <p>1. At least 90% of agreed items and volumes procured.</p> <p>2. 20% cost and time efficiency increase.</p>	<p>Activity 1. Procurement of medicines and medical products for the national Institute to fight HIV/AIDS.</p>	<p>UNDP, INLS, Ministry of Health in Sudan (MOH)</p>	<p>Total budget for Output and Activity 1: 5,000,000.00 USD</p> <p>INLS Technical Specifications and Quantification</p> <p>UNDP Procurement Support</p>

## Work plan- 2016/2018

EXPECTED OUTPUTS And baseline, indicators including annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET		
		S2	S3	S4	S5		Funding source	Budget description	Amount
Output 1: National public health procurement system strengthened and the effectiveness of diagnosis and treatment of the patients in Angola improved	Activity 1. Procurement of ARVs medicines and Health products for INLS as per Annex 1 of the Cost-sharing agreement № 1 between UNDP and INLS.	X	X	X	X	UNDP, INLS	INLS		5,000,000.00 USD
<b>TOTAL</b>									<b>5,000,000.00 USD</b>

## IV. Governance and Management Arrangements

Implementation, execution and coordination of the Project will be carried out as described below.

The project will be implemented over a period of 2 years. The project will be nationally implemented DIM together INLS, and national non-governmental organizations, in line with the Standard Basic Assistance Agreement (SBAA of 18 February, 1977) and the UNDP Country Programme Action Plan (CPAP 2015-2019 of 14 November, 2015) signed between the UNDP and the Government of Angola.

The UNDP will establish a financial reporting schedule with INLS according to the Angolan Government requirements and will build the capacity to provide high quality and timely programmatic and financial reports.

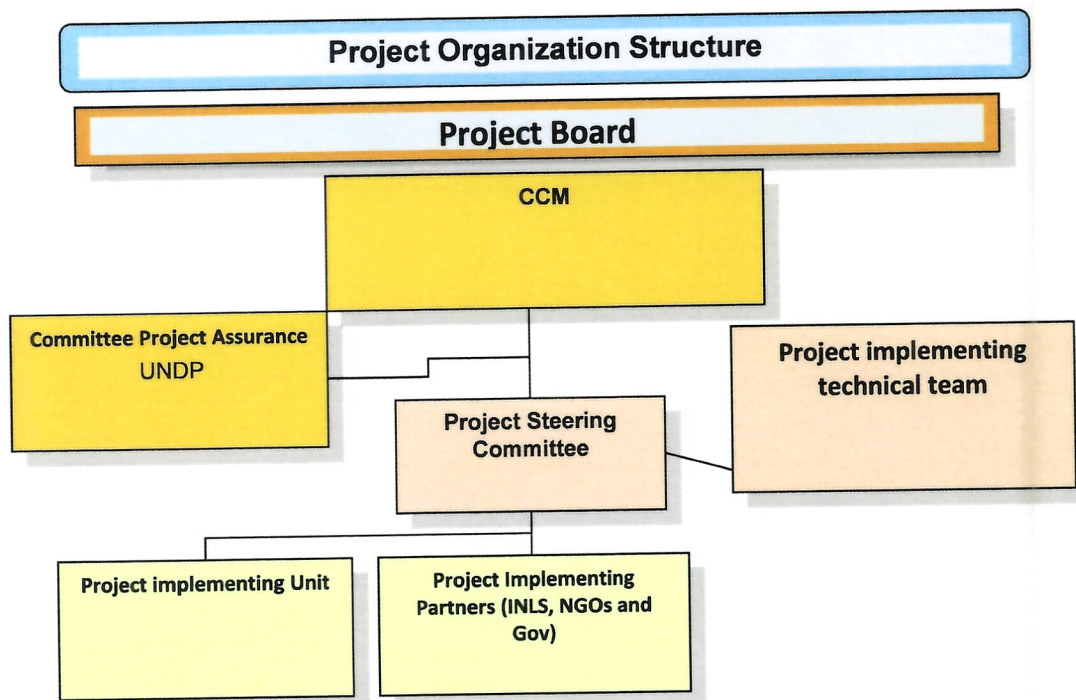
Parties will meet regularly to: discuss procurement needs; forecast requirements; work out logistical arrangements; share lists of potential SR recipients to ensure no double funding occurs; share reporting formats; align processes and procedures; and, discuss programmatic challenges.

UNDP May accept other currency other than United States dollars, in this case the value of the payment, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment. Should there be a change in the United Nations operational rate of exchange prior to the full utilization by the UNDP of the payment, the value of the balance of funds still held at that time will be adjusted accordingly. If, in such a case, a loss in the value of the balance of funds is recorded, UNDP shall inform the Government with a view to determining whether any further financing could be provided by the Government. Should such further financing not be available, the quantities and/or type of items to be procured may be reduced and/or changed if affected by exchange fluctuations and/or market conditions (including but not limited to freight cost) in terms of pricing. The assistance to be provided to the Project may be reduced, suspended or terminated by UNDP.

The UNDP will be encouraged by CCM Secretariat to routinely communicate with each other to ensure they are able to respond effectively to any challenges that arise. Where issues and gaps arise, the UNDP will be encouraged to work together to ensure the needs of the national response are met.

The UNDP and INLS will sign an agreement stipulating the roles and responsibilities of each party disbursements will be a performance based to ensure that the set targets in the PF are been met.

These reports are presented to the CCM members in their scheduled quarterly meetings to provide feedback and strategic direction on how the grants are performing and if there are any bottlenecks necessary steps and remedies are suggested to the UNDP by the CCM.



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## V. PROJECT MANAGEMENT

### Roles and Responsibilities

The distribution of roles and responsibilities between the National Medical Supplies Fund (NMSF) and UNDP are as follows:

The National Medical Supplies Fund (NMSF) will:

- Provide a list of products with specifications and quantifications / needs per year, in line with the applicable nomenclature and quality standards, quantities, delivery parameters, budgets per programme;
- Appoint a focal point from the INLS to coordinate day-to-day implementation activities and to respond to requests for clarifications within a period of 5 days after receipt of the request from UNDP;
- Start disbursing funds to UNDP in the amount of budget allocation for the products to be procured by UNDP within 1 week after signature of the Cost-Sharing Agreement № 1 between UNDP and INLS;
- Facilitate, according to the competence, getting all necessary national import permissions and approvals for importation of products to Angola;
- Carry the overall responsibility for quality of medicines and other medical products from the moment of transfer of propriety rights to the INLS;
- Call for regular coordination and progress reporting meetings.

**UNDP will:**

- Procure and supply items according to the list of medicines and medical products, quantities and quality requirements agreed with the INLS in line with national and international regulations and to the entry point in the country or to the INLS Store in Luanda;
- Conduct competitive bidding processes at international and national levels;
- Place the orders for goods, freight and insurance;
- Monitor progress of its orders, established contracts, vendor performance;
- Collaborate with the INLS on the evaluations of issued tenders;
- Provide regular updates to the INLS on progress of procurement, inform on eventual queries and/or action required by the INLS in relation to the procurement of specific products or product categories;
- Provide information on any expected savings as soon as available and assist the INLS with the reprogramming of such balance;

Provide regular financial reports per programme to the INLS including financial statements and other relevant documents;

- Maintain all procurement records and reports;
- Provide to INLS all necessary documents for the clearance of all incoming shipments on a timely basis;
- Process payments for concluded contracts as per UNDP regulations and rules and based on certificates of completion of works or receipt reports duly signed by the recipients of goods and/or services;
- Support the review of regimen selection and treatment optimization opportunities, and engage the normative guidance of UN partners where applicable.

In light of special requirements and arrangements for Medicines, and health products, UNDP will also supply the following documents (original copies) for each of the goods under the Project:

1. Certificate of Origin
2. Certificate of analysis of the pharmacopoeia standard or equivalent
3. Packing list
4. Invoice
5. Airway bill (for air shipments) or Bill of Lading (for sea shipments)



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## **VI. MONITORING FRAMEWORK AND EVALUATION**

In accordance with the UNDP programme and operations policies and procedures (POPP), the project will be monitored in the following three main areas:

- a) Progress on procurement processes;
- b) Budget delivery and uses;
- c) Bottlenecks and activities undertaken for importation and registration of medicines and medical products under UNDP Cost-Sharing Agreement.

### **Audit Arrangement**

The Project shall be the subject to the internal and external auditing procedures laid out in the Financial Rules and Regulations and directives of UNDP.

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## **VII. ANNEXES**

- 1) Cost sharing agreement
- 2) Budget and list of products to be purchased